

The
Maryland Taxpayer's
Bill of Rights
and Consumer Guide



No one likes paying taxes but we all must pay our fair share to provide for the government services we take for granted like education, public safety and transportation.

To ensure all taxpayers understand their rights and are informed when filing their taxes, the Comptroller's Office has created the Maryland Taxpayer's Bill of Rights and Consumer Guide.

This publication is designed to educate taxpayers on how to select a tax preparer, their rights and what they can expect when filing a return.

What You Should Know...

While every taxpayer is ultimately responsible for what is on his or her tax return, many choose to have someone else prepare their return. When selecting a preparer, keep these tips in mind:



A tax preparer should never:

- Promise you a refund before looking at your financial information or asking questions
- Promise you a larger refund than another preparer
- Ask you to sign a blank or incomplete return
- Ask you to sign a return in pencil
- Claim they have a special relationship with the Comptroller's Office or IRS

Before you sign your prepared return be sure to:

- Review the entire return
- Make sure your preparer signs the return
- Get your financial documents back, including copies of all final returns
- Get a receipt that contains the preparer's address and phone number
- Ask your preparer to e-file the return
- Find a list of preparers who efile at <http://www.irs.gov/efile/article/0,,id=118449,00.html>

All Maryland taxpayers have the right to:

- Fair treatment and helpful advice
- Privacy of your tax records
- Free forms and instructions available 24-hours a day on our Web site at www.marylandtaxes.com
- Free assistance and state tax return preparation at any of our 11 taxpayer service offices
- A free copy of your previously filed state tax return by writing us at:

Revenue Administration Division
Attn: Central Files
110 Carroll Street
Annapolis MD 21401

After you file a tax return you can expect the Comptroller's Office will:

- Check the income, exemptions, credits and deductions reported, disallowing any items that can't be documented
- Notify you in writing if changes were made to your return including a reduction in your refund
- Disclose tax information to the IRS as required by law
- Process an electronically-filed return within 72-hours of being accepted by our system barring any problems with the return's accuracy
- Process any paper return as quickly as possible.
- Assess a penalty of up to 25 percent and interest of 13 percent per year on delinquent taxes
- Give you up to three years from the due date of a return to claim any refund you are due
- Reduce your refund if you owe taxes for other periods, or owe money to another state agency, IRS, child support payments or to any of several other states
- Take enforcement action against tax scofflaws who aren't taking advantage of opportunities to pay up including filing liens, garnishing wages, making bank attachments, and holding up renewal of state-issued licenses

If you disagree with your tax assessment you have the right to:

- File an appeal and ask for your case to be heard by a hearing officer
- Have someone represent you or act on your own behalf.
- File an additional appeal with the Maryland Tax Court within 30 days from the date of the final determination by the hearing officer

When Choosing a Tax Preparer



Some tax preparers offer Refund Anticipation Loans (RALs) and Refund Anticipation Checks (RACs). These programs allow taxpayers to receive their refunds faster but at a high price. Consider electronically filing a return and choosing direct deposit for a refund to get the quick turnaround in processing without the fees.

RALs are high-interest, short-term loans secured by the taxpayer's expected refund amount. The taxpayer can receive their refund amount, minus the interest, within a few days but if the IRS or Comptroller's Office rejects the return or reduces the refund because of other debts owed, the individual must pay back the entire amount.

With RACs, the bank opens a temporary or "dummy" bank account into which the refund check is direct deposited. Instead of issuing a RAL within one or

two days, the bank waits until the taxpayer's refund is direct deposited, usually within 7-15 days. RACs are also commonly provided to taxpayers who do not have the up-front cash to pay for tax preparation. The tax preparation is deducted from the refund amount along with other high bank and associated fees.

RALs and RAC are often unnecessary to get a speedy refund. Instead, file a return electronically and choose direct deposit to get your money in just a few days. Visit <http://individuals.marylandtaxes.com/filinginfo/efile.asp> for more information on e-filing with direct deposit.

If you would like to file a complaint about a tax preparer contact the IRS at <http://www.irs.gov/taxpros/article/0,,id=205878,00.html>. Additionally, please notify the Comptroller's Office at 1-800-MD-TAXES or at taxhelp@comp.state.md.us.

Comptroller of Maryland
80 Calvert St. P.O. Box 466
Annapolis, MD 21404-0466

Tel: 410.260.7300
Fax: 410.974.2045

Maryland Relay 711
TTY: 410.260.7157

www.marylandtaxes.com

